

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM					
UNCLASSIFIED		CONFIDENTIAL		SECRET	
OFFICIAL ROUTING SLIP				DD / S	
				FILE	
TO	NAME AND ADDRESS	DATE	INITIALS		
1	D/Sec Mr. Osborn				
2					
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ACTION		DIRECT REPLY		PREPARE REPLY	
APPROVAL		DISPATCH		RECOMMENDATION	
COMMENT		FILE		RETURN	
CONCURRENCE		INFORMATION		SIGNATURE	
Remarks:					
<p>03- I know John Warner waved this off the other day so you can hold on Sen. Coffey for the moment. Jack Mourey agreed that this action is prudent.</p>					
FOLD HERE TO RETURN TO SENDER					
FROM: NAME, ADDRESS AND				DATE	
				14 SEP 1972	
UNCLASSIFIED				SECRET	

FORM NO. 237 Use previous editions

(40)

Distribution:

Orig - D/Sec w/o DD/S 72-3570

1 - DD/S Subject w/ccy DD/S 72-3570

1 - DD/S Chrono w/ccy DD/S 72-3570 w/background

DD/S 72-3570: Memo dtd 14 Sept 72 for D/Sec fr John W. Coffey re the Ervin Bill

ADMINISTRATIVE - INTERNAL USE ONLY

DD/S 72-3570

14 SEP 1972

MEMORANDUM FOR: Director of Security

Oz:

Your memorandum of 8 September about the Ervin bill is a helpful analysis of the troublesome provisions from your point of view, but it is not exactly what I had in mind.

What we need is to be prepared to live with the Ervin bill if it should pass in its present form. What solutions do you have for the problems posed in your paragraph 7? What changes must be made in our polygraph procedures; our review of employees' outside activities; our overall regulations? What are we going to do to minimize the adverse effect of the Ervin bill on our personnel security?

These and similar questions should be addressed by the Directors of Personnel, Medical Services and yourself in conjunction with the General Counsel to be sure that we are prepared to carry on our business legally when the bill becomes law, if it does.



John W. Coffey
Deputy Director
for Support

STAT

Copy to:

Director of Personnel

Director of Medical Services

STAT DDS/SOS:  kbp (13 Sept 72)

Distribution:

O - Adse

1 - D/OP

1 - D/MS

1 - DDS Subject *w/orig of ref*

1 - DDS Chrono

1 - SOS Chrono

Ref: DD/S 72-3527

TRANSMITTAL SLIP		DATE 13 Sept 72
TO: DD/S <i>via Mr. Hattler</i>		
ROOM NO.	BUILDING	
REMARKS:		
<p>For your signature.</p> <p style="text-align: center;"><i>RHW</i> RHW</p> <p><i>WILL PUT / DON'T SEE HOW THEY COULD FAIL TO UNDERSTAND</i></p>		
FROM:		
ROOM NO.	BUILDING	EXTENSION

FORM NO. 241
1 FEB 55

REPLACES FORM 36-8
WHICH MAY BE USED.

(47)

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Ervin Bill - Title II of House Resolution 12652

FROM:

The Director of Security

EXTENSION

NO.

STAT

DATE

8 SEP 1972

TO: (Officer designation, room number, and building)

RECEIVED

FORWARDED

INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Deputy Director for Support

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ADMINISTRATIVE-INTERNAL USE ONLY

72-3527

8 SEP 1972

MEMORANDUM FOR: Deputy Director for Support

SUBJECT : Ervin Bill
Title II of House Resolution 12652

1. This memorandum is submitted for information only.
2. Pursuant to your verbal request we are setting forth hereinafter our analysis of the "Ervin Bill," as it pertains to Agency security, with a conclusion that, in order to maintain our current standards of personnel security including employee conduct, an exception for the Agency is necessary.
3. Section 201(b) makes it unlawful for any Agency to state or intimate to any civilian employee that any notice will be taken of his attendance at any lecture held or called by any outside parties or organizations to advise, instruct or indoctrinate the civilian employee in respect to any matter or subject other than the performance of his official duties. This section could be interpreted to prohibit the Agency from taking notice of an employee's attendance at meetings held by a subversive group.
4. Section 201(d) forbids an agency to require or request any civilian employee to make any report of his activities unless such activities are related to his official duties or unless there is reason to believe the employee is engaged in outside activities in conflict with his official duties. This section would practically eliminate one of the strongest tools in our security inventory; i. e., HR ☐ Limitations on Outside Activities. We could not, as a rule, require security approval prior to outside part-time employment, operation of an amateur radio station overseas, some private-

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ADMINISTRATIVE-INTERNAL USE ONLY

foreign travel, unofficial courses of instruction, contacts with foreigners, joining clubs and organizations and attending conferences unrelated to official duties.

5. Section 201(f) forbids any polygraph test designed to elicit from an applicant or employee information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices or concerning his attitude or conduct with respect to sexual matters unless the DCI or his designee makes a personal finding with regard to each individual that such a test or information is required to protect the national security. Although the DCI could designate the Director of Security and the Chief, Personnel Security Division as his designees, and these latter two officials could authorize polygraph tests designed to cover the proscribed areas (as a matter of fact, we do not elicit information concerning religious beliefs or practices) for almost all applicants, we run the risk that a disappointed applicant could bring civil suit and the court (Section 204) or the Board (Section 205) could rule that since the Agency is requiring a polygraph examination (including the proscribed fields) in practically all applicant cases it has not complied with the intent of the law and in effect is not making a personal finding in each individual case. This, then, could result in the DCI's designees being subject to civil penalties including suspension without pay or removal from position.

6. Section 201(k) protects an employee from being interrogated concerning alleged misconduct, which could lead to disciplinary action, without the presence of counsel or another person of his choice. However, a CIA employee can be accompanied only by either a fellow employee of his choice or by counsel who has been approved by the Agency for access to the information involved. This section does not define interrogation. If a supervisor calls in an employee for being consistently late for work does the employee have the right (admittedly an extreme case) to nominate a radical lawyer as his counsel and defy the Agency not to clear him for access to any classified information which may be involved? If no classified data are involved, clearance presumably would not be a factor.

7. The weaknesses of this bill from a security viewpoint are so substantial that only an exemption for the Agency will permit us to maintain our present standards of personnel security including employee conduct. If the bill does pass we will be faced with the following problems:

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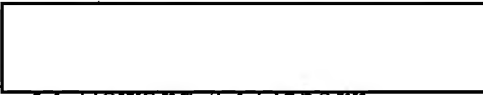
(a) Continue our current polygraph examination and face the risk of civil suit or amend and thus weaken our security standards.

(b) Recognize that we would have less control over our employees' outside activities.

(c) Define "interrogation" to eliminate day-by-day supervisor/employee relationship. In case of serious misconduct rely more heavily upon the DCI's power to terminate employment, particularly where classified data may be involved.

(d) Establish a panel of cleared attorneys and require an employee to chose an attorney from the panel if he wants to be so represented.

8. Please advise if any additional information is desired.


Howard J. Osborn
Director of Security

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Approved For Release 2003/04/29 : CIA-RDP84-00780R004900080001-2

Approved For Release 2003/04/29 : CIA-RDP84-00780R004900080001-2

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

STAT

FROM:

OLC

EXTENSION

NO.

STAT

DATE

7 August 1972

TO: (Officer designation, room number, and building)

DATE

RECEIVED

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OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

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DC/EPD

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12652 - Title II
File H.R. ~~12652~~ Ervin Bill

Assistant Legislative Counsel

9.

attachment

cc: Security ✓

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STAT

it can to drive South Vietnam into the sea and to force the United States into disagreeable and, if necessary, dishonorable actions in South Vietnam. That is all that the dikes are about.

I recognize Communist propaganda, whether it originates in Stockholm or Paris or the United States. These dams are not being bombed. There is an order by the President that they shall not be. When Hanoi establishes a SAM missile site or other military objective near the dikes, it is Hanoi which takes the risk that some accidental damage will be done to the dikes. There have been 12 such instances, none of which has been major.

We are going to continue to hear all this business about stopping bombing the dikes. I gather that at the previous convention, recently held, most of the issues raised by the delegates seemed to indicate that they were against lettuce and for dikes. Well, that is about as irrelevant and extraneous as a political convention can be; and to carry that politics on the floor of the Senate is clearly irrelevant and extraneous.

I simply make this point to indicate that it is about time we debated the genuine issues which affect the United States in foreign policy and in domestic policy and stop this extraneous and insane nonsense whereby Americans allege that the American Government is doing what an American President has forbidden to be done and which is not being done.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Pennsylvania (Mr. SCHWEIKER) is now recognized for not to exceed 10 minutes.

(The remarks that Mr. SCHWEIKER made when he introduced S. 3880, the National Diabetic Education and Detection Act, are printed in the Routine Morning Business section of the Record under Statements on Introduced Bills and Joint Resolutions.)

The ACTING PRESIDENT pro tempore. Under the previous order, the distinguished Senator from California (Mr. TUNNEY) is now recognized for not to exceed 15 minutes.

(The remarks of Mr. TUNNEY on Senate Resolution 342 dealing with bombing of dikes in North Vietnam and the remarks of Mr. HARRIS and Mr. KENNEDY on the same subject are printed in the Routine Morning Business section of the Record under Submission of a Resolution.)

Mr. ROBERT C. BYRD. Mr. President, will the Senator from Oklahoma yield his time to the able Senator from Massachusetts?

Mr. HARRIS. Mr. President, I yield my remaining time to the distinguished Senator from Massachusetts (Mr. KENNEDY).

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts is yielded the remaining time of the Senator from Oklahoma, and under the previous order, he has 15 minutes in his own right.

(The remarks of Mr. KENNEDY on the submission of an amendment to S. 2507

are printed in the Routine Morning Business section of the Record under Gun Control Act—amendment.)

EXTENSION OF THE COMMISSION ON CIVIL RIGHTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 955, H.R. 12652.

The ACTING PRESIDENT pro tempore (Mr. METCALF). The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 12652) to extend the life of this Commission on Civil Rights, to expand the jurisdiction of the Commission to include discrimination because of sex, to authorize appropriations for the Commission, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments on page 1, after the enacting clause, insert:

TITLE I—EXTENSION OF LIFE OF COMMISSION ON CIVIL RIGHTS

At the beginning of line 5, strike out "That section" and insert "Sec. 101. Section"; on page 2, at the beginning of line 3, change the section number from "2" to "102"; at the beginning of line 12, change the section number from "3" to "103"; at the beginning of line 19, change the section number from "4" to "104"; at the beginning of line 23, change the section number from "5" to "105"; on page 3, at the beginning of line 10, change the section number from "6" to "106"; in line 15, after the word "of", strike out "\$6,500,000" and insert "\$5,500,000"; in line 17, after the word "of", strike out "\$8,500,000" and insert "\$7,000,000"; and, after line 17, insert a new title, as follows:

TITLE II—PROTECTION OF CONSTITUTIONAL RIGHTS OF GOVERNMENT EMPLOYEES

SEC. 201. It shall be unlawful for any officer of any executive department or any executive agency of the United States Government, or for any person acting or purporting to act under his authority, to do any of the following things:

(a) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency, or any person seeking employment in the executive branch of the United States Government, to disclose his race, religion, or national origin, or the race, religion, or national origin of any of his forebears: *Provided, however,* That nothing contained in this subsection shall be construed to prohibit inquiry concerning the citizenship of any employee or person if his citizenship is a statutory condition of his obtaining or retaining his employment: *Provided further,* That nothing contained in this subsection shall be construed to prohibit inquiry concerning the national origin or citizenship of any such employee or person or of his forebears, when such inquiry is deemed necessary or advisable to determine suitability for assignment to activities or undertakings related to the national security within the United States or to activities or undertakings of any nature outside the United States.

(b) To state or intimate, or to attempt to state or intimate, to any civilian employee of

the United States serving in the department or agency that any notice will be taken of his attendance or lack of attendance at any assemblage, discussion, or lecture held or called by any officer of the executive branch of the United States Government, or by any person acting or purporting to act under his authority, or by any outside parties or organizations to advise, instruct, or indoctrinate any civilian employee of the United States serving in the department or agency in respect to any matter or subject other than the performance of official duties to which he is or may be assigned in the department or agency, or the development of skills, knowledge, or abilities which qualify him for the performance of such duties: *Provided, however,* That nothing contained in this subsection shall be construed to prohibit taking notice of the participation of a civilian employee in the activities of any professional group or association.

(c) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency to participate in any way in any activities or undertakings unless such activities or undertakings are related to the performance of official duties to which he is or may be assigned in the department or agency, or to the development of skills, knowledge, or abilities which qualify him for the performance of such duties.

(d) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency to make any report concerning any of his activities or undertakings unless such activities or undertakings are related to the performance of official duties to which he is or may be assigned in the department or agency, or to the development of skills, knowledge, or abilities which qualify him for the performance of such duties, or unless there is reason to believe that the civilian employee is engaged in outside activities or employment in conflict with his official duties.

(e) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency, or any person applying for employment as a civilian employee in the executive branch of the United States Government, to submit to any interrogation or examination or to take any psychological test which is designed to elicit from him information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters: *Provided, however,* That nothing contained in this subsection shall be construed to prevent a physician from eliciting such information or authorizing such tests in the diagnosis or treatment of any civilian employee or applicant where such physician deems such information necessary to enable him to determine whether or not such individual is suffering from mental illness: *Provided further, however,* That this determination shall be made in individual cases and not pursuant to general practice or regulation governing the examination of employees or applicants according to grade, agency, or duties: *Provided further, however,* That nothing contained in this subsection shall be construed to prohibit an officer of the department or agency from advising any civilian employee or applicant of a specific charge of sexual misconduct made against that person, and affording him an opportunity to refute the charge.

(f) To require or request, or attempt to require or request, any civilian employee of the United States serving in the department or agency, or any person applying for employment as a civilian employee in the executive branch of the United States Government, to take any polygraph test designed to elicit from him information concerning his per-

August 4, 1972

CONGRESSIONAL RECORD — SENATE

S 12009

sonal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters.

(g) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency to support by personal endeavor or contribution of money or any other thing of value the nomination or the election of any person or group of persons to public Office in the Government of the United States or of any State, district, Commonwealth, territory, or possession of the United States, or to attend any meeting held to promote or support the activities or undertakings of any political party of the United States or of any State, district, Commonwealth, territory, or possession of the United States.

(h) To coerce or attempt to coerce any civilian employee of the United States serving in the department or agency to invest his earnings in bonds or other obligations or securities issued by the United States or any of its departments or agencies, or to make donations to any institution or cause of any kind: *Provided, however, That nothing contained in this subsection shall be construed to prohibit any officer of any executive department or any executive agency of the United States Government, or any person acting or purporting to act under his authority, from calling meetings and taking any action appropriate to afford any civilian employee of the United States the opportunity voluntarily to invest his earnings in bonds or other obligations or securities issued by the United States or any of its departments or agencies, or voluntarily to make donations to any institution or cause.*

(i) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency to disclose any items of his property, income, or other assets, source of income, or liabilities, or his personal or domestic expenditures or those of any member of his family or household: *Provided, however, That this subsection shall not apply to any civilian employee who has authority to make any final determination with respect to the tax or other liability of any person, corporation, or other legal entity to the United States, or claims which require expenditure of moneys of the United States: Provided further, however, That nothing contained in this subsection shall prohibit the Department of the Treasury or any other executive department or agency of the United States Government from requiring any civilian employee of the United States to make such reports as may be necessary or appropriate for the determination of his liability for taxes, tariffs, custom duties, or other obligations imposed by law.*

(j) To require or request, or to attempt to require or request, any civilian employee of the United States embraced within the terms of the proviso in subsection (i) to disclose any items of his property, income, or other assets, source of income, or liabilities, or his personal or domestic expenditures or those of any member of his family or household other than specific items tending to indicate a conflict of interest in respect to the performance of any of the official duties to which he is or may be assigned.

(k) To require or request, or to attempt to require or request, any civilian employee of the United States serving in the department or agency, who is under investigation for misconduct, to submit to interrogation which could lead to disciplinary action without the presence of counsel or other person of his choice, if he so requests: *Provided, however, That a civilian employee of the United States serving in the Central Intelligence Agency or the National Security Agency may be accompanied only by a person of his choice who serves in the agency in which he*

employee serves, or by counsel who has been approved by the agency for access to the information involved.

(l) To discharge, discipline, demote, deny promotion to, relocate, reassign, or otherwise discriminate in regard to any term or condition of employment of, any civilian employee of the United States serving in the department or agency, or to threaten to commit any of such acts, by reason of the refusal or failure of such employee to submit to or comply with any requirement, request, or action made unlawful by this Act, or by reason of the exercise by such civilian employee of any right granted or secured by this Act.

Sec. 202. It shall be unlawful for any officer of the United States Civil Service Commission, or for any person acting or purporting to act under his authority, to do any of the following things:

(a) To require or request, or to attempt to require or request, any executive department or any executive agency of the United States Government, or any officer or employee serving in such department or agency, to violate any of the provisions of section 1 of this Act.

(b) To require or request, or to attempt to require or request, any person seeking to establish civil service status or eligibility for employment in the executive branch of the United States Government, or any person applying for employment in the executive branch of the United States Government, or any civilian employee of the United States serving in any department or agency of the United States Government, to submit to any interrogation or examination or to take any psychological test which is designed to elicit from him information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters: *Provided, however, That nothing contained in this subsection shall be construed to prevent a physician from eliciting such information or authorizing such tests in the diagnosis or treatment of any civilian employee or applicant where such physician deems such information necessary to enable him to determine whether or not such individual is suffering from mental illness: Provided further, however, That this determination shall be made in individual cases and not pursuant to general practice or regulation governing the examination of employees or applicants according to grade, agency, or duties: Provided further, however, That nothing contained in this subsection shall be construed to prohibit an officer of the Civil Service Commission from advising any civilian employee or applicant on a specific charge of sexual misconduct made against that person, and affording him an opportunity to refute the charge.*

(c) To require or request, or to attempt to require or request, any person seeking to establish civil service status or eligibility for employment in the executive branch of the United States Government, or any person applying for employment in the executive branch of the United States Government, or any civilian employee of the United States serving in any department or agency of the United States Government, to take any polygraph test designed to elicit from him information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters.

Sec. 203. It shall be unlawful for any commissioned officer, as defined in section 101 of title 10, United States Code, or any member of the Armed Forces acting or purporting to act under his authority, to require or request, or to attempt to require or request, any civilian employee of the executive branch of the United States Government under his

form any of the acts or submit to any of the requirements made unlawful by section 1 of this Act.

Sec. 204. Whenever any officer of any executive department or any executive agency of the United States Government, or any person acting or purporting to act under his authority, or any commissioned officer as defined in section 101 of title 10, United States Code, or any member of the Armed Forces acting or purporting to act under his authority, violates or threatens to violate any of the provisions of section 1, 2, or 3 of this Act, any civilian employee of the United States serving in any department or agency of the United States Government, or any person applying for employment in the executive branch of the United States Government, or any person seeking to establish civil service status or eligibility for employment in the executive branch of the United States Government, affected or aggrieved by the violation or threatened violation, may bring a civil action in his own behalf or in behalf of himself and others similarly situated, against the offending officer or person in the United States district court for the district in which the violation occurs or is threatened, or the district in which the offending officer or person is found, or in the United States District Court for the District of Columbia, to prevent the threatened violation or to obtain redress against the consequences of the violation. The Attorney General shall defend all officers or persons sued under this section who acted pursuant to an order, regulation, or directive, or who, in his opinion, did not willfully violate the provisions of this Act. Such United States district court shall have jurisdiction to try and determine such civil action irrespective of the actuality or amount of pecuniary injury done or threatened, and without regard to whether the aggrieved party shall have exhausted any administrative remedies that may be provided by law, and to issue such restraining order, interlocutory injunction, permanent injunction, or mandatory injunction, or enter such other judgment or decree as may be necessary or appropriate to prevent the threatened violation, or to afford the plaintiff and others similarly situated complete relief against the consequences of the violation. With the written consent of any person affected or aggrieved by a violation or threatened violation of section 1, 2, or 3 of this Act, any employee organization may bring such action on behalf of such person, or may intervene in such action. For the purposes of this section, employee organizations shall be construed to include any brotherhood, council, federation, organization, union, or professional association made up in whole or in part of civilian employees of the United States and which has as one of its purposes dealing with departments, agencies, commissions, and independent agencies of the United States concerning the condition and terms of employment of such employees.

Sec. 205. (a) There is hereby established a Board on Employees' Rights (hereinafter referred to as the "Board"). The Board shall be composed of three members, appointed by the President, by and with the advice and consent of the Senate. The President shall designate one member as chairman. No more than two members of the Board may be of the same political party. No member of the Board shall be an officer or employee of the United States Government.

(b) The term of office of each member of the Board shall be five years, except that (1) of those members first appointed, one shall serve for five years, one for three years, and one for one year, respectively, from the date of enactment of this Act, and (2) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for such term.

(c) Members of the Board shall be compensated at the rate of \$75 a day for each day spent in the work of the Board, and shall be paid actual travel expenses and per diem in lieu of subsistence expenses when away from their usual places of residence, as authorized by section 5703 of title 5, United States Code.

(d) Two members shall constitute a quorum for the transaction of business.

(e) The Board may appoint and fix the compensation of such officers, attorneys, and employees, and make such expenditures as may be necessary to carry out its functions.

(f) The Board shall make such rules and regulations as shall be necessary and proper to carry out its functions.

(g) The Board shall have the authority and duty to receive and investigate written complaints from or on behalf of any person claiming to be affected or aggrieved by any violation or threatened violation of this Act and to conduct a hearing on each such complaint. Within ten days after the receipt of any such complaint, the Board shall furnish notice of the time, place, and nature of the hearing thereon to all interested parties. The Board shall render its final decision with respect to any complaint within thirty days after the conclusion of its hearing thereon.

(h) Officers or representatives of any Federal employee organization in any degree concerned with employment of the category in which any alleged violation of this Act occurred or is threatened shall be given an opportunity to participate in each hearing conducted under this section, through submission of written data, views, or arguments, and in the discretion of the Board, with opportunity for oral presentation. Government employees called upon by any party or by any Federal employee organization to participate in any phase of any administrative or judicial proceeding under this section shall be free to do so without incurring travel cost or suffering loss in leave or pay; and all such employees shall be free from restraint, coercion, interference, intimidation, or reprisal in or because of their participation. Any periods of time spent by Government employees during such participation shall be held and considered to be Federal employment for all purposes.

(i) Insofar as consistent with the purposes of this section, the provisions of subchapter II of chapter 5 of title 5, United States Code, relating to the furnishing of notice and manner of conducting agency hearings, shall be applicable to hearings conducted by the Board under this section.

(j) If the Board shall determine after hearing that a violation of this Act has not occurred or is not threatened, the Board shall state its determination and notify all interested parties of such determination. Each such determination shall constitute a final decision of the Board for purposes of judicial review.

(k) If the Board shall determine that any violation of this Act has been committed or threatened by any civilian officer or employee of the United States, the Board immediately (1) issue and cause to be served on such officer or employee an order requiring such officer or employee to cease and desist from the unlawful act or practice which constitutes a violation, (2) endeavor to eliminate any such unlawful act or practice by informal methods of conference, conciliation, and persuasion, and (3) may—

(A) (i) in the case of the first offense by any civilian officer or employee of the United States, other than any officer appointed by the President, by and with the advice and consent of the Senate, issue an official reprimand against such officer or employee or order the suspension without pay of such officer or employee from the position or office held by him for a period of not to exceed

fifteen days, and (ii) in the case of a second or subsequent offense by any such officer or employee, order the suspension without pay of such officer or employee from the position or office held by him for a period of not to exceed thirty days or order the removal of such officer or employee from such position or office; and

(B) in the case of any offense by any officer appointed by the President, by and with the advice and consent of the Senate, transmit a report concerning such violation to the President and the Congress.

(l) If the Board shall determine that any violation of this Act has been committed or threatened by any officer of any of the Armed Forces of the United States, or any person purporting to act under authority conferred by such officer, the Board shall (1) submit a report thereon to the President, the Congress, and the Secretary of the military department concerned, (2) endeavor to eliminate any unlawful act or practice which constitutes such a violation by informal methods of conference, conciliation, and persuasion, and (3) refer its determination and the record in the case to any person authorized to convene general courts-martial under section 822 (article 22) of title 10, United States Code. Thereupon such person shall take immediate steps to dispose of the matter under chapter 47 of title 10, United States Code Uniform Code/Military Justice).

(m) Any party aggrieved by any final determination or order of the Board may institute, in the district court of the United States for the judicial district wherein the violation or threatened violation of this Act occurred, or in the United States District Court for the District of Columbia, a civil action for the review of such determination or order. If any such action, the court shall have jurisdiction to (1) affirm, modify, or set aside any determination or order made by the Board which is under review, or (2) require the Board to make any determination or order which it is authorized to make under subsection (k), but which it has refused to make. The reviewing court shall set aside any finding, conclusion, determination, or order of the Board as to which complaint is made which is unsupported by substantial evidence on the record considered as a whole.

(n) The Board shall submit, not later than March 31 of each year, to the Senate and House of Representatives, respectively, a report on its activities under this section during the immediately preceding calendar year, including a statement concerning the nature of all complaints filed with it, its determinations and orders resulting from hearings thereon, and the names of all officers or employees of the United States with respect to whom any penalties have been imposed under this section.

(o) There are authorized to be appropriated sums necessary, not in excess of \$100,000 to carry out the provisions of this section.

Sec. 206. Nothing contained in this Act shall be construed to prohibit an officer of the Central Intelligence Agency or of the National Security Agency from requesting any civilian employee or applicant to take a polygraph test, or to take a psychological test, designed to elicit from him information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters, or to provide a personal financial statement, if the Director of the Central Intelligence Agency or his designee or the Director of the National Security Agency or his designee makes a personal finding with regard to each individual to be so tested or examined that such test or information is required to protect the national security.

Sec. 207. No civilian employee of the United States serving in the Central Intelligence Agency or the National Security Agency, and

no individual or organization acting in behalf of such employee, shall be permitted to invoke the provisions of sections 4 and 5 without first submitting a written complaint to the agency concerned about the threatened or actual violation of this Act and affording such agency one hundred and twenty days from the date of such complaint to prevent the threatened violation or to redress the actual violation: *Provided, however,* That nothing in this Act shall be construed to affect any existing authority of the Director of Central Intelligence under section 403(c), of title 50, United States Code, and any authorities available to the National Security Agency under section 833 of title 50, United States Code, to terminate the employment of any employee.

Sec. 208. Nothing in this Act shall be construed to affect in any way the authority of the Directors of the Central Intelligence Agency or the National Security Agency to protect or withhold information pursuant to statute or executive order. The personal certification by the Director of the agency that disclosure of any information is inconsistent with the provision of any statute or Executive order shall be conclusive and no such information shall be admissible in evidence in any interrogation under section 1(k) or in any civil action under section 4 or in any proceeding or civil action under section 5.

Sec. 209. This Act shall not be applicable to the Federal Bureau of Investigation.

Sec. 210. Nothing contained in sections 4 and 5 shall be construed to prevent establishment of department and agency grievance procedures to enforce this Act, but the existence of such procedures shall not preclude any applicant or employee from pursuing the remedies established by this Act or any other remedies provided by law: *Provided, however,* That if under the procedures established, the employee or applicant has obtained complete protection against threatened violations or complete redress for violations, such action may be pleaded in bar in the United States district court or in proceedings before the Board on Employee Rights: *And provided further,* That if an employee elects to seek a remedy under either section 4 or section 5, he waives his right to proceed by an independent action under the remaining section.

Sec. 211. If any provision of this Act or the application of any provision to any person or circumstance shall be held invalid, the remainder of this Act or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected.

LEGISLATIVE HISTORY OF TITLE II OF H.R. 12652

Mr. ERVIN. Mr. President, title II of H.R. 12652 is identical to S. 1438 which was approved by the Senate by unanimous consent last December. Its provisions are designed to protect the constitutional rights of employees of the executive branch and to prevent unwarranted governmental invasions of their privacy. I proposed the addition of this title to the House bill to extend the life of the Civil Rights Commission to afford the Senate another chance to express its desire to protect the privacy of millions of citizens who now work for the Government or who may apply to work for it.

The December vote was not the first time the Senate expressed itself on this issue and sent to the House this measure containing privacy guarantees.

I introduced this bill in 1966 in the 89th Congress. Hearings were conducted and staff studies were made on the problems. In the 90th Congress I rein-

August 4, 1972

CONGRESSIONAL RECORD — SENATE

S 12691

roduced the bill with 54 cosponsors, and it was unanimously and favorably reported by the Committee on the Judiciary as S. 1035. On September 13, 1967, the Senate approved it by an impressive vote of 79 to 4, a vote that totaled 90 to 4 by the time absentees were recorded. The bill was then referred to the House Post Office and Civil Service Committee which did not report on it in the 90th Congress.

In the 91st Congress, I reintroduced the identical bill as S. 782 with 54 cosponsors. Again the subcommittee considered it, held hearings, conducted investigations, and reported the bill unanimously. The Judiciary Committee repeated their support for the bill and again recommended that the bill be enacted.

True to the sentiments of their constituents and to the extensive editorial support for this privacy bill, Members of the Senate again approved the measure, this time by unanimous consent. The bill was again sent to the House Post Office and Civil Service Committee whose subcommittee conducted some hearings. I appeared before that subcommittee and reported on the complaints and findings in the Constitutional Rights Subcommittee. No further action was taken by the House committee in that Congress.

In 1971, for the third time, I introduced the employee "bill of rights" as S. 1438, with 50 cosponsors.

For the third time, the subcommittee and the Committee on the Judiciary unanimously recommended that it be enacted. And by unanimous consent, the Senate approved this measure for the third time. For the third Congress, the House has not acted.

There has been widespread support for this measure for many years.

I believe Americans today fear for their privacy and their constitutional freedoms. This bill will provide some minimum statutory guarantees for millions of citizens who work for the executive branch of the Federal Government or who may apply to work for it.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. ROBERT C. BYRD, Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-1006), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

AMENDMENTS

1. Amendment No. 1 provides that Section 106, lines 11 through 15, page 3, be deleted and the following inserted in lieu thereof:

Sec. 106. For the purposes of carrying out this Act, there is authorized to be appropriated for the fiscal year ending June 30, 1973, the sum of \$5.5 million, and for each fiscal year thereafter through June 30, 1978, the sum of \$7.0 million.

The amendment to Section 106 of the bill reduces the amounts of appropriations authorized for the Commission in fiscal years 1973 through 1978, as provided in the House bill.

2. Amendment No. 2 provides that the bill, which incorporates the provisions of S.

1438, a bill approved by the Committee in the First Session as an Act to protect the civilian employees of the executive branch of the United States Government in the enjoyment of their constitutional rights and to prevent unwarranted governmental invasions of their privacy.

TITLE I—LEGISLATIVE HISTORY

President Nixon in his State of the Union message of January 20, 1972, called for a five-year extension of the Civil Rights Commission and the expansion of its jurisdiction to include discrimination based on sex.

The Commission then drafted its proposals which were introduced in the House (H.R. 12652) on January 26, 1972, and in the Senate (S. 3121) on February 3, 1972. The bills were identical, calling for an extension of the Commission for five years, an expansion of its jurisdiction to include sex discrimination, and an open-ended appropriation authorization.

Subcommittee No. 5 of the House Judiciary Committee held hearings on H.R. 12652 on February 24, 1972. At the conclusion of the hearings, the subcommittee replaced the open-ended authorization with an authorization ceiling of \$6.5 million for fiscal year 73 and \$8.5 million for fiscal years 74-78. The bill as amended was passed by the House of Representatives on May 1, 1972.

S. 3121 and H.R. 12652 were referred to the Senate Judiciary Committee. The Subcommittee on Constitutional Rights held hearings on the bills on June 16, 1972. Testimony from the Commission was received in support of H.R. 12652. Also testifying in support of the bill was the national director of the National Federation of Business and Professional Women's Clubs. Statements of support were submitted by three Senators, The Women's Equity Action League, The League of Women Voters of the United States, The Leadership Conference on Civil Rights, The Duluth Business and Professional Women's Club, and the Pennsylvania Commission on the Status of Women. No testimony or statements were received in opposition to the bill. The aforementioned communications can be found in the printed text of the hearings. The bill as amended was reported by the subcommittee by a divided vote.

TITLE AS AMENDED

Title I has three primary purposes, and three secondary ones.

Section 4 provides that the Commission will make its final report to the President and to the Congress by June 30, 1978, rather than January 31, 1973. This, in effect, extends the life of the Commission for five years and five months.

Section 3 expands the jurisdiction of the Commission to include discrimination based on sex. At present, the Commission's jurisdiction is limited to investigating denials of equal protection based on race, color, religion, or national origin.

Section 6 as amended provides a ceiling on appropriations of \$5.5 million for fiscal year 73, and \$7.0 million for the four succeeding fiscal years. The bill as originally introduced contained an open-ended authorization for "such sums as are necessary to carry out the provisions of this Act." The bill was amended in the House, however, to provide a ceiling of \$6.5 million in fiscal year 73 and \$8.5 million in the four succeeding fiscal years. The amended provision thus represents a reduction in the authorization approved by the House of \$1 million in fiscal year 73 and \$1.5 million in each of the succeeding four fiscal years.

Sections 1, 2, and 5 of the bill provide for increased compensation for witnesses, commissioners, and consultants, respectively. Witnesses will be paid at the rate paid witnesses in federal courts. Commissioners will be compensated at the rate of level IV of the day spent in the work of the Commission,

and consultants will be paid at a rate not to exceed the daily rate paid a GS-15. These provisions are comparable to those now in effect in other government agencies.

STATEMENT

The Commission on Civil Rights was created in 1957 as an independent fact-finding agency with a two-year life span. Its power was limited to conducting studies and making recommendations to the President and Congress concerning denials of equal protection based on race, color, religion, and national origin.

The Commission has since been extended five times by the Congress. Its staff and program have expanded, and its appropriation authorization has steadily climbed to its present level of \$4.0 million for fiscal year 1972.

In the early years of its existence, the Commission concerned itself largely with the problems facing black Americans. Recently, however, it has turned its attention to other minority groups, most notably Indians and Mexican Americans. More than 60% of its recommendations have been enacted into law.

The Committee is of the view that there is a continuing need for the Commission to appraise the policies of the federal government with respect to civil rights and to serve as a reliable source of information for future legislative proposals.

The Committee also favors the inclusion of sex discrimination as a logical expansion of the Commission's jurisdiction. The Commission is already empowered to investigate denials of equal protection on other grounds, and has a working structure designed to cope with such problems. The Committee hopes, however, that the Commission's assumption of new jurisdiction will not signify a slackening of the Commission's efforts to deal with problems of neglected smaller minorities. The Committee furthermore hopes that particular attention will be given to the special problems of minority women when the Commission turns its attention to the problems of sex discrimination in general. In short, the grant of additional jurisdiction should not be allowed to cloud the other important concerns of the Commission.

Finally, the Committee favors the fiscal limits of \$5.5 million in fiscal year 73 and \$7.0 million in the succeeding four fiscal years as a more realistic estimate of the Commission's costs than those contained in the House bill. The authorization of the Commission for fiscal year 72 was \$4.0 million. The limit of \$5.5 million in fiscal year 73 represents a 37.5% increase over fiscal year 72; the \$7.0 million, a 75% increase over fiscal year 72. These authorizations represent, the Committee feels, amounts reasonably calculated to allow the Commission to carry out its responsibilities.

The Committee has already requested an increase in the appropriations for fiscal year 73 to \$4.8 million without the new jurisdiction to cover sex discrimination. The authorization called for in the Committee amendment provides \$7 million for fiscal year 1973 in addition to this request to allow the Commission to begin its new work in the area of sex discrimination and a contemplated project on Asian-Americans. The \$7.0 million figure for fiscal years 74 through 78 makes it possible for the Commission to expand its efforts in the area of sex discrimination and allows for future cost increases to its total program.

COSTS

In accordance with Section 252 of the Legislative Reorganization Act of 1970, the Committee estimates the costs of H.R. 12652, as amended, in fiscal year 1973 will be \$1.5 million more than the appropriation of \$4.0 million already authorized. If the Civil Rights Commission is extended until December 31, 1978, as provided by the bill, the annual cost is estimated to be \$7.0 million

August 4, 1972

for each of the fiscal years 1974 through 1978.

The printed hearings contain a detailed projection made by the Commission of its program for the next five years and its estimated costs.

TITLE II—PROTECTING PRIVACY AND THE RIGHTS OF FEDERAL INCOME

Title II is identical to the provisions of S. 1438 which was approved by the Committee without amendment on December 6, 1971, and which was passed by the Senate by unanimous consent on December 8. It is also identical to S. 782 of the 91st Congress as unanimously reported by the Committee and unanimously approved by the Senate. This title is designed to protect civilian employees of the executive branch of the United States Government in the enjoyment of their constitutional rights and to prevent unwarranted governmental invasions of their privacy.

The language of the Committee report on the provisions of S. 1438 is reprinted below as adopted by the Committee.

The references in the report on Title II are to the numbered provisions of S. 1438 as formerly approved by the Committee.

The section references in the legislative analysis of Title II accord with the numbered section of the parent bill.

PURPOSE

The purpose of Title II is to prohibit indiscriminate executive branch requirements that employees and, in certain instances, applicants for Government employment disclose their race, religion, or national origin; attend Government-sponsored meetings and lectures or participate in outside activities unrelated to their employment; report on their outside activities or undertakings unrelated to their work; submit to questioning about their religion, personal relationships or sexual attitudes through interviews, psychological tests, or polygraphs; support political candidates or attend political meetings. The bill would make it illegal to coerce an employee to buy bonds or make charitable contributions. It prohibits officials from requiring him to disclose his own personal assets, liabilities, or expenditures, or those of any member of his family unless, in the case of certain specified employees, such items would tend to show a conflict of interest. It would provide a right to have a counsel or other person present, if the employee wishes, at an interview which may lead to disciplinary proceedings. It would accord the right to a civil action in a Federal court for violation or threatened violation of the act, and it would establish a Board on Employees' Rights to receive and conduct hearings on complaints of violation of the act and to determine and administer remedies and penalties.

STATEMENT

The committee has found, a threefold need for this legislation. The first is the immediate need to establish a statutory basis for the preservation of certain rights and liberties of those who work for government now and those who will work for it in the future. The bill, therefore, not only remedies problems of today but looks to the future, in recognition of the almost certain enlargement of the scope of Federal activity and the continuing rise in the number of Americans employed by their Federal Government or serving it in some capacity.

Second, the bill meets the Federal Government's need to attract the best qualified employees and to retain them. As the former Chairman of the Civil Service Commission, Robert Ramspeck, testified:

"Today, the Federal Government affects the lives of every human being in the United States. Therefore, we need better people today, better qualified people, more dedicated people, in Federal service than we ever needed before. And we cannot do that unless we are

going to deal with them on the basis of suspicion, and delve into their private lives, because if there is anything the average American cherishes, it is his right of freedom of action, and his right to privacy. So I think this bill is hitting at an evil that has grown up, maybe not intended, but which is hurting the ability of the Federal Government to acquire the type of personnel that we must have in the career service."

Third is the growing need for the beneficial influence which such a statute would provide in view of the present impact of Federal policies, regulations and practices on those of State and local government and of private business and industry. An example of the interest demonstrated by governmental and private employers is the following comment by Allan J. Graham, secretary of the Civil Service Commission of the city of New York: "It is my opinion, based on over 25 years of former Government service, including some years in a fairly high managerial capacity, that your bill, if enacted into law, will be a major step to stem the tide of 'Big Brotherism,' which constitutes a very real threat to our American way of life."

"In my present position as secretary of the Civil Service Commission of the city of New York, I have taken steps to propose the inclusion of several of the concepts of your bill into the rules and regulations of the city civil service commission."

Passage of the bill will signify congressional recognition of the threats to individual privacy posed by an advanced technology and by increasingly more complex organizations. Illustrating these trends is the greatly expanded use of computers and governmental and private development of vast systems for the efficient gathering of information and for data storage and retrieval. While Government enjoys the benefit of these developments, there is at the same time an urgent need for defining the areas of individual liberty and privacy which should be exempt from the unwarranted intrusions facilitated by scientific techniques.

As Prof. Charles Reich of Yale Law School has stated, this bill "would be a significant step forward in defining the right of privacy today."

"One of the most important tasks which faces the Congress and State legislatures in the next decade is the protection of the citizen against invasion of privacy," states Prof. Stanley Anderson of the University of California, Santa Barbara. "No citizens," in his opinion, "are in more immediate danger of incursion into private affairs than Government employees. When enacted the bill will provide a bulwark of protection against such incursions."

The bill is based on several premises which the subcommittee investigation has proved valid for purposes of enacting this legislation. The first is that civil servants do not surrender the basic rights and liberties which are their due as citizens under the Constitution of the United States by their action in accepting Government employment. Chief among these constitutional protections is the first amendment, which protects the employee to privacy in his thoughts, beliefs and attitudes, to silence in his action and participation or his inaction and nonparticipation in community life and civic affairs. This principle is the essence of constitutional liberty in a free society.

The constitutional focus of the bill was emphasized by Senator Ervin in the following terms when he introduced S. 1035 on February 21, 1967:

"If this bill is to have any meaning for those it affects, or serve as a precedent for those who seek guidelines in those matters, its purpose must be phrased in constitutional terms. Otherwise its goals will be lost."

"We must have as our point of reference the constitutional principles which guide

I believe that the Constitution, as it was drafted and as it has been implemented, embodies a view of the citizen as possessed of an inherent dignity and as enjoying certain basic liberties. Many current practices of Government affecting employees are unconstitutional; they violate not only the letter but the very spirit of the Constitution.

"I introduced this bill originally because I believe that, to the extent it has permitted or authorized unwarranted invasion of employee privacy and unreasonable restrictions on their liberty, the Federal Government has neglected its constitutional duty where its own employees are concerned, and it has failed in its role as the model employer for the Nation.

"Second, although it is a question of some dispute, I hold that Congress has a duty under the Constitution not only to consider the constitutionality of the laws it enacts, but to assure as far as possible that those in the executive branch responsible for administering the laws adhere to constitutional standards in their programs, policies, and administrative techniques."

The committee believes that it is time for Congress to forsake its reluctance to tell the executive branch how to treat its employees. When so many American citizens are subject to unfair treatment, to being unreasonably coerced or required without warrant to surrender their liberty, their privacy, or their freedom to act or not to act, to reveal or not to reveal information about themselves and their private thoughts and actions, then Congress has a duty to call a statutory halt to such practices. It has a duty to remind the executive branch that even though it might have to expend a little more time and effort to obtain some favored policy goal, the techniques and tools must be reasonable and fair.

Each section of the bill is based on evidence from many hundreds of cases and complaints showing that generally in the Federal service, as in any similar organizational situation, a request from a superior is equivalent to a command. This evidence refutes the argument that an employee's response to a superior's request for information or action is a voluntary response, and that an employee "consents" to an invasion of his privacy or the curtailment of his liberty. Where his employment opportunities are at stake, where there is present the economic coercion to submit to questionable practices which are contrary to our constitutional values, then the presence of consent or voluntarism may be open to serious doubt. For this reason the bill makes it illegal for officials to "request" as well as to "require" an employee to submit to certain inquiries or practices or to take certain actions.

Each section of the bill reflects a balancing of the interests involved: The interest of the Government in attracting the best qualified individuals to its service; and its interest in pursuing laudable goals such as protecting the national security, promoting equal employment opportunities, assuring mental health, or conducting successful bond-selling campaigns. There is, however, also the interest of the individual in protection of his rights and liberties as a private citizen. When he becomes an employee of his Government, he has a right to expect that the policies and practices applicable to him will reflect the best values of his society.

The balance of interests achieved assures him this right. While it places no absolute prohibition on Government inquiries, the bill does assure that restrictions on his rights and liberties as a Government employee are reasonable ones.

As Senator Bible stated:

"There is a line between what is Federal business and what is personal business, and Congress must draw that line. The right of

August 4, 1972

CONGRESSIONAL RECORD — SENATE

S 12693

The weight of evidence, as Senator Fong has said: "points to the fact that the invasions of privacy under threats and coercion and economic intimidation are rampant in our Federal civil service system today. The degree of privacy in the lives of our civil servants is small enough as it is, and it is still shrinking with further advances in technical know-how. That these citizens are being forced by economic coercion to surrender this precious liberty in order to obtain and hold jobs is an invasion of privacy which should disturb every American. I, therefore, strongly believe that congressional action to protect our civil servants is long overdue."

The national president of the National Association of Internal Revenue Employees, Vincent Connery, told the subcommittee of this proposal in the 89th Congress:

"Senate bill 3779 is soundly conceived and perfectly timed. It appears on the legislative scene during a season of public employee unrest, and a period of rapidly accelerating demand among Federal employees for truly first-class citizenship. For the first time within my memory, at least, a proposed bill holds out the serious hope of attaining such citizenship. S. 3779, therefore, amply deserves the fullest support of all employee organizations, both public and private, federation affiliated, and independent alike."

Similar statements endorsing the broad purpose of the bill were made by many others, including the following witnesses:

John F. Griner, national president, American Federation of Government Employees.

E. C. Hallbeck, national president, United Federation of Postal Clerks.

Jerome Keating, president, National Association of Letter Carriers.

Kenneth T. Lyons, national president, National Association of Government Employees.

John A. McCart, operations director, Government Employees Council of AFL-CIO.

Hon. Robert Ramspeck, former Chairman, Civil Service Commission.

Vincent Jay, executive vice president, Federal Professional Association.

Francis J. Speh, president, 14th District Department, American Federation of Government Employees.

Lawrence Speiser, director, Washington office, American Civil Liberties Union.

Nathan Wolkowir, national president, National Federation of Federal Employees.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Florida (Mr. CHILES) was to have been recognized at this time.

Mr. ROBERT C. BYRD, Mr. President, I suggest the absence of a quorum, without prejudice to the Senator from Florida.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD, Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ALLEN). Without objection, it is so ordered.

ORDER OF BUSINESS

The PRESIDING OFFICER. At this time, under the previous order, the Chair recognizes the distinguished Senator from Florida (Mr. CHILES) for not to exceed 15 minutes.

(The remarks of Mr. CHILES on the introduction of S. 3881 are printed in the

Record under Statements on Introduced Bills and Joint Resolutions.)

ROLLING STOCK UTILIZATION AND FINANCING ACT OF 1972

The PRESIDING OFFICER. At this time, in accordance with the previous order, the Chair lays before the Senate S. 1729, which the clerk will report.

The assistant legislative clerk read as follows:

Calendar Order No. 932 (S. 1729), a bill to supply general service freight cars to meet the needs of commerce, users, shippers, national defense, and the consuming public.

The Senate proceeded to consider the bill which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "Rolling Stock Utilization and Financing Act of 1972".

TABLE OF CONTENTS

TITLE I—NATIONAL ROLLING STOCK INFORMATION SERVICE AND FEDERAL RAILROAD EQUIPMENT OBLIGATION INSURANCE FUND

Sec. 101. Purposes	22
Sec. 102. Definitions	23
Sec. 103. National Rolling Stock Information System	24
Sec. 104. Federal Railroad Equipment Obligation Insurance Fund	27
Sec. 105. Authorization to insure equipment obligations	28
Sec. 106. Limitations and conditions; premium charges	30
Sec. 107. Issuance of notes or obligations	32
Sec. 108. Modifications	34
Sec. 109. General Accounting Office audit	35

TITLE II—TO IMPROVE UTILIZATION

Sec. 201. Utilization index and report	36
Sec. 202. Interstate Commerce Commission report	37
Sec. 203. Department of Transportation study	37
Sec. 204. Use of existing law	37

TITLE III—ROLLING STOCK AUTHORITY

Sec. 301. Establishment	38
Sec. 302. Organizing directors	39
Sec. 303. Directors and officers	40
Sec. 304. General powers of the Authority	43
Sec. 305. Financing	45
Sec. 306. Audit and expenditures	51
Sec. 307. Conversion by public sale of stock	52
Sec. 308. National Rolling Stock Information Service	55
Sec. 309. Conditions and charges for use of rolling stock	56
Sec. 310. Authority of the Interstate Commerce Commission	58
Sec. 311. Protective arrangements for employees	58
Sec. 312. Actions to enforce obligations	61
Sec. 313. Interchange of cars	62
Sec. 314. Reports to the Congress	63
Sec. 315. Separability	64

TITLE I—NATIONAL ROLLING STOCK INFORMATION SERVICE AND FEDERAL RAILROAD EQUIPMENT OBLIGATION INSURANCE FUND

PURPOSES

Sec. 101. The Congress hereby declares that the purposes of this Act are—

(a) to improve the utilization and distribution of rolling stock to meet the needs of commerce, users, shippers, the national defense, and the consuming public;

(b) to assist railroads in acquiring additional rolling stock to provide fast and ex-

peditions service to meet the increasing demands of the Nation's economy now and in the years to come; and

(c) to assist in achieving full employment by insuring adequate equipment necessary to transport the products of American industry.

DEFINITIONS

SEC. 102. For the purposes of this Act—

(1) "Authority" means the Rolling Stock Authority which may also be known as RSA.

(2) "Board" means the Federal Railroad Equipment Obligation Insurance Board.

(3) "Car-pooling company" means a company that furnishes rolling stock to three or more railroads on a pooling basis.

(4) "Directors" means the Board of Directors of the Authority.

(5) "Equipment obligations" means bonds, notes, conditional sale agreements, equipment trust certificates, leases, and other obligations issued or guaranteed by railroads or car-pooling companies to finance or refinance rolling stock.

(6) "Holder" means the holder of an equipment obligation, except that where a bank or trust company is acting as agent or trustee for the holder of the equipment obligation, the bank or trust company shall be deemed to be the holder.

(7) "Obligor" includes the original borrower under an equipment obligation and his successors and assigns approved by the Board. An obligor must be a railroad or car-pooling company.

(8) "Railroad" means a common carrier by railroad, as defined in section 1(3) of the Interstate Commerce Act, as amended, and includes, where determined appropriate by the Board, any railroad controlled by a railroad within the meaning of section 1(3)(b) of the Interstate Commerce Act.

(9) "Rolling stock" means any type of new or rebuilt general service railroad freight car whose use is not confined to a specialized purpose by special equipment and design or other limiting features, cabooses, and standard gage locomotives. The Board may designate what types of freight cars are general service freight cars, including, but not limited to, boxcars, gondolas, open top and covered hopper cars, and flatcars.

(10) "Secretary" means the Secretary of Transportation.

NATIONAL ROLLING STOCK INFORMATION SYSTEM

Sec. 103. (a) The Secretary is authorized to design a national rolling stock information system and to contract with and provide technical and financial assistance to individual railroads or a group of railroads working together, including the sharing of costs and the funding in part of demonstration projects, to assist in the establishment of a national rolling stock information system. Such national rolling stock information system shall use computer and communication techniques and equipment which will facilitate equitable distribution and efficient and economical utilization of rolling stock. Such system shall be capable of furnishing information about all rolling stock owned directly or indirectly by railroads and car-pooling companies with respect to physical characteristics, origin, destination, location, availability for future loadings, and such other information as the Secretary determines to be useful for the equitable distribution and efficient and economical utilization of rolling stock. The Secretary shall consult with shippers, railroads, and the Interstate Commerce Commission before finally approving the design of the system. Information shall be available to shippers, railroads, the Secretary, the Interstate Commerce Commission, and other members of the public subject to such rules as the Interstate Commerce Commission shall prescribe to insure the confidentiality of certain types of competitive information supplied for use in connection